

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 25-26, 2005

Reference No.: 2.1c.(3)
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Ross A. Chittenden
Division Chief
Transportation Programming

Ref: **TRAFFIC CONGESTION RELIEF (TCR) PROGRAM PROJECT APPLICATION
AMENDMENT APPROVALS
RESOLUTION TAA-05-05, AMENDING RESOLUTIONS TAA-04-05 and TAA-04-11**

ISSUE:

The Los Angeles County Metropolitan Transportation Authority (LACMTA) requests approval of the attached Resolution for two Traffic Congestion Relief (TCR) project application amendments to deprogram a net total of (\$58,900,000) in approved TCR funding. A fact sheet describing each project is attached.

RECOMMENDATION:

The California Department of Transportation recommends approval.

BACKGROUND:

On January 19, 2001, the California Transportation Commission (Commission) approved and application for TCR Project #37 – Los Angeles Mid-City Transit Improvements; build Bus Rapid Transit (BRT) system or Light Rail Transit (LRT) in Mid-City/Westside/Exposition Corridors in Los Angeles County, with legislative amount of \$256 million in TCR funding. On May 9, 2002, The Commission approved LACMTA's amendment request to split the project into two sub-projects, with \$186.9 million of the \$256 million dedicated to TCR Sub-project #37.1 – BRT system along Wilshire Boulevard, and the remaining \$69.1 million dedicated to TCR Sub-project #37.2 – LRT system along Exposition Boulevard.

Due to the current economic climate and the uncertainty of TCR Fund reimbursement, the LACMTA has determined it would not be fiscally prudent to pursue both projects at this time. Designating TCR Sub-project #37.2 – LRT system along Exposition Boulevard a priority project, the LACMTA proposes to transfer a net total \$180.7 million of available TCR funds from TCR Sub-project #37.1 – BRT system along Wilshire Boulevard to TCR Sub-project #37.2 – LRT system along Exposition Boulevard.

The LACMTA has submitted an application amendment for TCR Sub-project #37.1 – BRT system along Wilshire Boulevard, to deprogram \$75.6 million in approved TCR funding and remove the remaining \$105.1 million in proposed TCR funding – a net total of \$180.7 million – to make it available for transfer to TCR Sub-project #37.2 – LRT system along Exposition Boulevard. The application amendment also revises the project scope, schedule and funding plan in accordance with the reduction of TCR funds.

In conjunction with the request for TCR Sub-project #37.1 – BRT system along Wilshire Boulevard, the LACMTA has also submitted an application amendment for TCR Sub-project #37.2 – LRT system along Exposition Boulevard, to program \$16.7 million in TCR funding to Phase 2 – Plans, Specifications, and Estimates, and update the overall project funding plan to encompass the transfer of TCR funding from TCR Sub-project #37.1 – BRT system along Wilshire Boulevard, with the intention that the transferred funds be programmed at a later date when project cost estimates are more defined.

Approval of the amendment for TCR Sub-project #37.2 – LRT system along Exposition Boulevard, enables the LACMTA to request an AB 1335 Letter of No Prejudice (Letter) in order to fund the project using local funds and seek TCR fund reimbursement in the future. The LACMTA has submitted a Letter request in accordance with Resolution G-03-12, the Guidelines for Letter of No Prejudice, Traffic Congestion Relief Program, identifying an alternate fund source (concurrent Reference Item 2.1c.(4)). By utilizing the Letter request process, the LACMTA will be able to proceed with the project.

Attachments

TCR Program – Application Amendment Project #37.1**Los Angeles Los Angeles Mid-City Transit Improvements; build Bus Rapid Transit system or Light Rail Transit in Mid-City/Westside/Exposition Corridors in Los Angeles County.....**

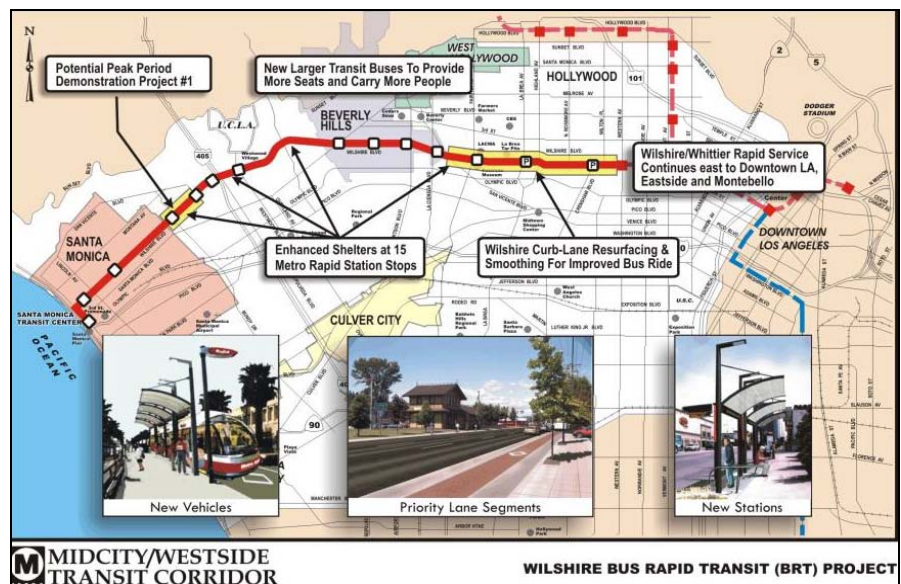
(\$ X 1,000)

Estimated Project Cost:	\$172,600	TCRP Funds Covered by Application::	(\$75,600)
	\$194,400		
TCRP Funds Sub-project #37.1:	\$6,200	Phase(s) Covered by Application::	All
	\$186,900		
TCRP Funds for Project #37:	\$256,000	TCRP Funds Previously Approved for 37.1:	\$81,800
Lead Agency:	Los Angeles County Metropolitan Transportation Authority (LACMTA)	Implementing Agency:	LACMTA

TCRP Allocation Requested Concurrently with Application:	\$0	for Phase(s):	N/A
Advance Requested:	\$0	for Phase(s):	N/A
TCRP Allocations To Date:	\$6,200	for Phase(s):	1

Project Summary: The Los Angeles Mid-City Transit Improvements project is to build a light rail transit (LRT) or bus rapid transit (BRT) system along the Mid-City/Westside/ Exposition corridors in Los Angeles County. The overall project will be implemented to two sub-projects:

- **Sub-Project #37.1 – BRT system along Wilshire Boulevard,** and
- Sub-Project #37.2 – LRT system along Exposition Boulevard.



Sub-Project #37.1 will provide a 12.7-mile limited stop express bus service along Wilshire Boulevard that will connect the Wilshire/Western Metro Red Line station to 2nd Street and Colorado Blvd. in Santa Monica. The Locally Preferred Alternative (LPA) selected, based on the results of the environmental studies and public input, is to implement a service enhancement project intended to provide high capacity transit service to the Westside of Los Angeles County, improving on the existing Metro Rapid Bus service. The enhancements will be based upon BRT features found in other systems worldwide and will contain two sets of components. The first set of components to be implemented are as follows: Enhanced Metro Rapid Stations; ~~High Capacity Vehicles; Wilshire Boulevard Curb Lane and Intersection Reconstruction; Expanded Transit Signal Priority; Peak Period Dedicated Bus Lanes;~~ and Maintenance and Storage Facilities and Community Parking Facilities. The second set of components is considered alternatives to the project, with implementation subject to approval and concurrence of local jurisdictions. The alternatives include ~~Expanded Transit Signal Priority and Peak Period Dedicated Bus Lanes~~ **Wilshire Boulevard Curb Lane and Intersection Reconstruction and Community Parking Facilities.**

Summary of Action: This amendment de-programs all TCRP funds approved but not yet allocated and then moves all un-programmed TCRP funds to sub-project #37.2. The project scope, schedule and funding tables have been updated. Changes proposed by this amendment are reflected in ~~strike through~~ and **bold**.

Reason for Change: In July 2000, \$256 million in TCRP funds were committed for the Mid-City/Westside Wilshire BRT and Mid-City/Exposition LRT project. LACMTA initially elected to allocate \$186.9 million of the \$256 million for the Mid-City/Westside BRT (37.1) project and \$69.1 million for the Mid-City/Exposition LRT project (37.2). However, the Board of Directors decided that due to the current economic climate, it would not be fiscally prudent to pursue both of the projects (and incur both of their increased operational costs) at this time. Therefore, LACMTA intends to re-program and allocate \$249.8 million of the eligible TCRP funding for Sub-Project #37.2,

the Board established higher priority project. As \$6.2 million in TCRP funding has already been allocated and expended on sub-project #37.1, LACMTA requests to de-program and transfer the remaining \$180.7 million in TCRP funding to sub-project #37.2. Sub-Project #37.1, the Mid-City/Wilshire BRT project, will continue to proceed under a revised work schedule and financial plan consistent with currently available funding.

The high capacity buses originally anticipated to be procured under this project have been replaced by 60-foot articulated buses. These buses will be procured as part of the agency's bus procurement plan instead of being included in the scope of this project.

Cost and Schedule (\$ x 1,000)

Phase	Scope	Start	End	Cost
1	Environmental study to develop an EIR/EIS and preliminary engineering.	12/00	12/05	\$8,700
2	Preparation of design/build contract or final design plans under design/bid/build.	7/09 8/04	7/12 6/06	\$17,700 \$5,000
3	Right of Way Acquisition	7/09 7/04	7/10 12/05	\$18,400 \$26,100
4	Construction activities including curb and street intersection reconstruction; commuter parking facilities; Div 10 expansion; station enhancements and possible peak period bus lanes.	6/10 6/05	12/14 11/08	\$127,800 \$110,100
	High capacity vehicle acquisition	11/02	7/06	\$44,500
				\$172,600
			Total:	\$194,400

Funding Plan (\$ x 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP	State	Committed	\$6,200				\$6,200
		Proposed		\$5,000	\$26,100	\$44,500	\$81,800
Prop C 25%	Measure	Committed		\$17,700		\$28,700	\$46,400
		Proposed				\$5,000	\$5,000
STIP-RIP	State	Committed	\$2,500				\$2,500
		Proposed				\$26,700	\$26,700
CMAQ	Federal	Committed			\$18,400		\$18,400
		Proposed				\$64,700	\$64,700
Revenues	Local	Committed				\$7,700	\$7,700
		Proposed					
	Totals:	Committed	\$8,700	\$17,700	\$18,400	\$36,400	\$81,200
		Proposed		\$5,000	\$26,100	\$49,500	\$89,300
						\$91,400	\$91,400
						\$105,100	\$105,100
		Totals:	\$8,700	\$17,700	\$18,400	\$127,800	\$172,600
				\$5,000	\$26,100	\$154,600	\$194,400

Prior TCRP Action:

- Original application for Phase 1 (ENV) was approved on January 18, 2001 (Resolution TA-01-01).
- Minor Amendment was approved June 20, 2002, to extend the end date of Phase 1, per April 2002 Progress Report.
- A subsequent application was approved October 3, 2002 (Resolution TA-02-13) to update the overall project scope, and program additional funds to continue Phase 1 preliminary engineering activities, as well as funds for Phase 2 - PS&E, Phase 3 – ROW, and Phase 4 – CON. As a result of the scope update, the TCRP funds originally proposed for this sub-project were reduced, from \$228,900,000 to \$186,900,000. A minor amendment was also included to extend the end date of Phase 1 (ENV) to June 2003.
- A major amendment was approved June 26, 2003 (Resolution TAA-03-02) to update the project schedule. LACMTA has indicated that additional time is needed to complete Phase 1 – ENV, Phase 2 – PS&E to enable the agency to seek federal environmental clearance that will allow them to utilize federal funds not previously planned for this project. Additionally, as TCR funds may not be available in the short-term, LACMTA had to re-evaluate funding availability which caused a slight delay in the progress of Phases 1 and 2, until a funding plan for the overall project could be determined.
- An application amendment was approved October 28, 2004 (TAA-04-11) to update the project schedule. A requested Letter of No Prejudice for Phase 3 (\$26,100,000) was deferred.

Status of Conditions: No conditions set for this project under Resolution TA-01-01. The following conditions were set forth under Resolution TA-02-13:

- Prior to an allocation of funds for Phase 2 (Plans, Specifications & Estimates), LACMTA must notify the Department and CTC staff which design approach will be used for the project.
- Prior to an allocation of funds for any capital phase of the project, LACMTA must develop a parking management plan that, among other requirements, provides for procedures to ensure that a specified number of non-tandem designated parking spaces are for the exclusive use of Metro Rapid riders, and ensure the commuter parking spaces are maintained and operated separate from other parking areas.
- Prior to an allocation of funds for bus procurement, LACMTA shall provide a Financial Operating Plan that demonstrates they have the financial capability to operate the expanded service once the project has been completed.

Discussion/Issues: Regional Transportation Plan documentation on file. The Commission reviewed the Final EIR/EIS and approved the project for future consideration of funding on October 3, 2002, under Resolution E-02-44.

TCRP Program – Application Amendment Project #37.2**Los Angeles Los Angeles Mid-City Transit Improvements; build Bus Rapid Transit system or Light Rail Transit in Mid-City/Westside/Exposition Corridors in Los Angeles County.**

(\$ X 1,000)

Estimated Project Cost:	\$635,000	TCRP Funds Covered by Application::	\$16,700
	\$631,500		
TCRP Funds Sub-project #37.2:	\$249,800	Phase(s) Covered by Application:	1,2
	\$69,400		
TCRP Funds for Project #37:	\$256,000	TCRP Funds Previously Approved:	\$25,000
Lead Agency:	Los Angeles County Metropolitan Transportation Authority (LACMTA)	Implementing Agency:	LACMTA

TCRP Allocation Requested Concurrently with Application: **\$0**

for Phase(s): N/A

Advance Requested: **\$0**

for Phase(s): N/A

TCRP Allocations to Date: **\$11,000**

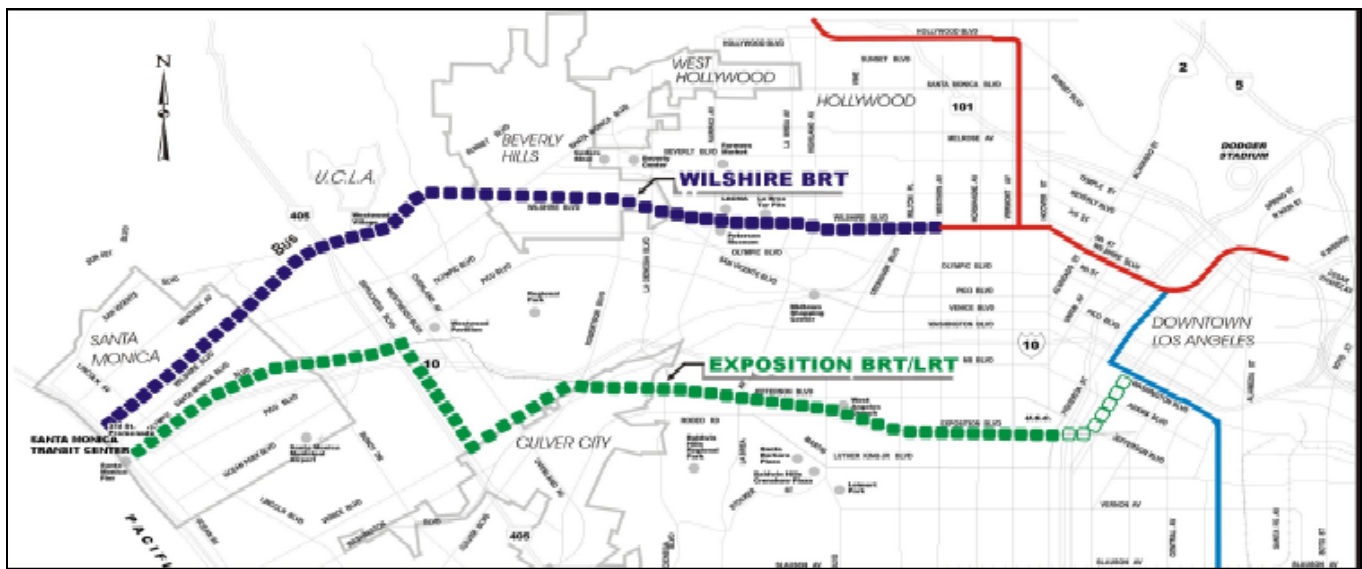
for Phase(s): 1

LONP Approved to Date: **\$14,000**

for Phase(s): 1

LONP Requested Concurrently with Application: **\$16,700**

for Phase(s): 2



Project Summary: The purpose of the Los Angeles Mid-City Transit Improvements project is to build a light rail transit (LRT) or bus rapid transit (BRT) system along the Mid-City/Westside/Exposition corridors in Los Angeles County. The project will be implemented to two sub-projects.

- Sub-Project #37.1 – BRT system along Wilshire Boulevard, and
- **Sub-Project #37.2** – LRT system along Exposition Boulevard.

Sub-Project #37.2 – the Mid-City LRT along Exposition Boulevard, will serve as a major east-west route connecting downtown Los Angeles to the University of Southern California and West Los Angeles ending at Venice/Robertson Boulevards. The LRT will start at the existing Metro Red Line 7th/Flower station, branching off the existing Blue Line at Washington Boulevard and Hill Street. The LRT will proceed south on Hill Street in mixed traffic to the LACMTA owned Exposition right-of-way, purchased in 1991 in anticipation of this project, where it will continue 7.7 miles to Venice/Robertson Boulevards. The LACMTA is proposing to construct this project using the design/build approach.

Note: Activities, such as Studies and the Draft EIR/EIS, were completed in conjunction with other projects in the region, prior to approval of this application, therefore costs associated with completing those activities are not reflected in the funding plan.

Summary of Action: This amendment updates the project schedule and funding tables, and requests programming of \$16,700,000 TCRP funds to Phase 2. Changes proposed by this amendment are reflected in ~~strikethrough~~ and **bold**.

Reason for Change: As a result of entering preliminary engineering, the project cost estimates have been refined from \$631.5 million to \$635 million. The overall project cost, however, still remains an estimate at this time. The project schedule was also extended several years due to the uncertainty of TCR funds. However, the MTA Board has made a commitment to advance the Exposition LRT project. Currently, it is estimated that revenue operations will begin in 2012, but that may occur earlier if the funding availability situation changes.

Changes have also been made to the funding information for the project, as a result of project budget revisions. An internal decision was made to consolidate all of the Mid-City TCRP funds into this project. In July 2000, TCRP funds totaling \$256 million were committed for the Mid-City/Westside Wilshire VRT and Mid-City/Exposition LRT project. LACMTA initially elected to allocate \$186.9 million for the Mid-City/Westside Wilshire BRT project and \$69.1 million for the Mid-City/Exposition LRT project. However, in light of the current economic climate, it would not be fiscally prudent to pursue both the Exposition LRT and Wilshire BRT projects and incur both of their increased operational costs at this time. Therefore, LACMTA will be programming and allocating \$249.8 million of the TCRP funding for the Mid-City/Exposition LRT sub-project #37.2 as the Board has established it as the higher priority project. \$6.2 million in TCRP funds will remain in the Mid-City/Westside Wilshire BRT sub-project #37.1 as the funds have already been allocated and expended for Phase 1.

Cost and Schedule (\$ x 1,000)

Phase	Scope	Start	End	Cost
1	Environmental Review, Permits, Prelim Engineering	5/00	6/06	\$25,000
2	Plans, Specifications and Estimates - Final Design	7/04	12/09	\$25,000
3	Right of Way Acquisition	7/06	2/10	\$23,200
4	Construct Design/Build Contract	7/06	9/12	\$521,400
	Light Rail Vehicle Acquisition			\$40,400
Total:				\$635,000

Funding Plan (\$ x 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP	State	Committed	\$25,000	\$16,700			\$41,700
							\$25,000
		Proposed		\$0		\$208,100	\$208,100
			\$5,200				
PC25%	Measure	Committed			\$3,100	\$152,600	\$155,700
		Proposed					
5309 New Starts	Federal	Committed					
		Proposed		\$0			
			\$19,800				
CMAQ	Federal	Committed		\$8,300	\$20,100	\$108,200	\$136,600
		Proposed				\$54,800	\$54,800
STIP - RIP	State	Committed					
		Proposed				\$38,100	\$38,100
	Totals:	Committed	\$25,000	\$25,000	\$23,200	\$260,800	\$334,000
				\$0			
		Proposed		\$25,000		\$301,000	\$301,000
		Totals:	\$25,000	\$25,000	\$23,200	\$561,800	\$635,000

AB 1335 Letter Funding Plan (\$ x 1,000)

[illegible]

Prior TCRP Action:

- Original application for Project #37 (now known as Sub-Project #37.1) was approved on January 18, 2001 (Resolution TA-01-01), for Phase 1 – Environmental Review and Permits.
- A subsequent application was approved on May 9, 2002 (Resolution TA-02-06) to split the project into two sub-projects and program Phase 1 – Environmental Review and Permits, for **Sub-Project #37.2** – Mid-City LRT system along Exposition Boulevard, to complete the Final Environmental Impact Report/Statement and start Preliminary Engineering.
- Allocation of \$11,000,000 for Phase 1 approved by CTC under Resolution TFP-02-05.
- An application amendment to program an additional \$14,000,000, for a total of \$25,000,000, for Phase 1 – Environmental (ENV), and to update the schedule for Phase 1 - ENV, and to update the overall project financial plan, was approved on September 24, 2003 (Resolution TAA-03-10). The additional funds for Phase 1 are to address the possibility of grade separations, a tunnel segment through Exposition Park and other enhancements to the alignment not previously planned. An AB 1335 Letter of No Prejudice in the amount of \$14,000,000 for Phase 1 was approved also approved (Resolution TL-03-01).
- An amendment to update project schedule was approved June 17, 2004 (Resolution TAA-04-05) to reflect the temporary suspension of TCRF allocations impact.

Status of Conditions: No conditions.

Discussion/Issues: Phases 1 and 2 are currently underway. Due to the financial uncertainties of TCR funds, alternative funding has been identified to enable these activities to continue on schedule. The MTA will use Local Prop C 25% funds. However, should TCR funds become available in the future, the MTA wishes to be reimbursement for any and all eligible expenses related to Phases 1 and 2 activities. An additional Letter has been requested (one was approved previously) to enable the allocation/reimbursement of TCR funds when they become available. The Letter is in conformance with the approved Commission Guidelines for Letter of No Prejudice, TCRP, and is recommended for concurrent approval under Reference No. 2.1c(4).

CALIFORNIA TRANSPORTATION COMMISSION
Approval of Traffic Congestion Relief Program
Project Application Amendment

RESOLUTION TAA-05-05
Amending Resolutions TAA-04-05 and TAA-04-11

- 1.1 WHEREAS the Traffic Congestion Relief Act of 2000 (herein after referred to as “statute”), which was established by Chapters 91 (AB 2928) and 656 (SB 1662) of the Statutes of 2000, establishes the Traffic Congestion Relief Program, providing \$5.39 billion for projects throughout the State of California to reduce traffic congestion, provide for safe and efficient movement of goods, and provide system connectivity; and
 - 1.2 WHEREAS in accordance with Government Code Section 14556.11 the California Transportation Commission (Commission) has adopted guidelines, in consultation with the Department of Transportation (Department) and regional agencies, to implement the Traffic Congestion Relief (TCR) Program; and
 - 1.3 WHEREAS the statute and guidelines require applicants to specify complete project applications, including scope, cost and schedule, financial plans and funding sources; and
 - 1.4 WHEREAS the Commission identified those factors leading to changes in project scope, cost, and scheduled and established guidelines for agencies to submit amendments to TCR project applications in Resolution G-00-23, with further clarifications in Resolution G-01-23; and
 - 1.5 WHEREAS the Department has reviewed the following application amendments for two TCR projects as submitted by applicant agencies and found all to be in compliance with the guidelines adopted by the Commission.
 - 2.1 NOW THEREFORE BE IT RESOLVED that the Commission does hereby approve the following two TCR project application amendments as submitted, with subsequent clarifications and revisions:
 - Project #37.1 – Los Angeles Mid-City Transit Improvements; build Bus Rapid Transit system or Light Rail Transit in Mid-City/Westside/Exposition Corridors in Los Angeles County – BRT system along Wilshire Boulevard. Amend application to deprogram \$75,600,000 in TCR funding, revise project scope, and update project schedule and funding plan previously approved under Resolution TAA-04-11.
Applicant Agency: Los Angeles County Metropolitan Transportation Authority (LACMTA)
Implementing Agency: LACMTA
 - Project #37.2 – Los Angeles Mid-City Transit Improvements; build Bus Rapid Transit system or Light Rail Transit in Mid-City/Westside/Exposition Corridors in Los Angeles County – LRT system along Exposition Boulevard. Amend application to program \$16,700,000 in TCR funding to Phase 2 – Plans, Specifications, and Estimates, and update project funding plan previously approved under Resolution TAA-04-05.
Applicant Agency: LACMTA
Implementing Agency: LACMTA;
- and

- 2.2 BE IT FURTHER RESOLVED that all conditions stipulated at time of application and/or application amendment approval are still in effect; and
- 2.3 BE IT FURTHER RESOLVED that all applicant agencies shall provide the Commission and the Department with a progress report on April 1st and October 1st of each year on actual expenditures and status of work, until the projects have been completed; and
- 2.4 BE IT FURTHER RESOLVED that this TCR project application approval by the Commission reserves the State funding for the projects as specified by the statute, and allows the applicant agencies to incur costs in accordance with the approved project application, statute and guidelines; and
- 2.5 BE IT FURTHER RESOLVED that Resolutions TAA-04-05 and TAA-04-11 are hereby amended.